

Quarterly Progress Report

Project Title:	Impact of Rail Grant Program		
NJDOT PROJECT NUMBER: 2011-11		NJDOT RESEARCH PROJECT MANAGER: Vincent Nichnadowicz	
TASK ORDER NUMBER: 267		PRINCIPAL INVESTIGATOR: Dr. Kaan Ozbay	
Project Starting Date: 5/1/2011 Original Project Ending Date: 11/1/2012 Modified Completion Date:		Period Starting Date: 7/1/2011 Period Ending Date: 9/30/2011	

1. Project Progress Summary

<u>Task No.</u>	<u>Task Description</u>	<u>Percent of Total Project Budget</u>	<u>Cost of Task</u>	<u>% of task this quarter</u>	<u>Cost this quarter</u>	<u>% of task to date</u>	<u>Total Cost to date</u>
1	Review of Rail Grant Program	15%	\$20,964	30%	\$6,289	30%	\$6,289
2	Collect and Process Related NJDOT Data	25%	\$34,941	25%	\$8,735	25%	\$8,735
3	Review and Analyze NJDOT Award Criteria	20%	\$27,953	15%	\$4,193	15%	\$4,193
4	Interviews	10%	\$13,976	0%	\$0	0%	\$0
5	Economic Analysis of Grant Program Impacts	20%	\$27,953	0%	\$0	0%	\$0
6	Comprehensive Evaluation of Program	0%	\$0	0%	\$0	0%	\$0
7	Recommendations	0%	\$0	0%	\$0	0%	\$0
8	Project Management and Final Report	10%	\$13,976	10%	\$1,398	10%	\$1,398
Total		100%	\$139,763	15%	\$20,615	15%	\$20,615

2. Project Overview

Project Objectives

This research project studies the NJDOT Rail Grants program with the goal of developing a methodology for evaluating project applications in terms of their full benefits to the railroad industry and the economy of New Jersey. The proposed work plan will address the following items:

- NJDOT's Grant Program Applicants, Funded Projects, and Selection Criteria
- Other similar programs and their evaluative measures
- Impacts of the past funded projects
 - o Impacts to shippers, receivers, and railroad operators
 - o Impacts to the economy
 - o Impacts to NJ highways

The proposed work plan will be executed with a combination of data collection, industry/partner outreach, and modeling. The rail grants program will first be studied and the available data processed and analyzed. Then surveys will be conducted with freight rail operators and users, with a focus on short line operations. The economic impacts of the past grants will be studied empirically, and a trucking industry impact model will be developed. Following that, transportation modeling tools will be used to estimate the impact of the short line industry on the highways of New Jersey, and the traffic impacts will be quantified in economic terms.

Cost/benefit analysis is proposed for the evaluation of the past grants, to determine which types of grants provided the most significant impact. Based on these findings, recommendations will be made to DOT on the future directions of the program in terms of types of projects to be selected for funding. From this analysis, a methodology will be developed for the agency to evaluate project applications in the future. Thus, this work plan will ensure that a detailed study of the problem from all perspectives is performed, providing NJDOT broad and useful analysis framework for project evaluation.

3. Description of Work Completed by Task over This Period

Task 1 — Review of Rail Grant Program

- Literature review of federal studies conducted to reveal no singular methodology exists for administering grant programs.
- Details of rail grants programs of several states aggregated.
- Met with NJ program administrators at NJDOT. Collected critical details on administration and provisions of NJ grants program.

Task 2 — Collect and Process Related NJDOT Data

- Research team visited NJDOT Freight office to collect all electronic records: Applications from rail grant requesting companies for FY 2005 – 2011.
- Scorecards completed by NJDOT Application review committee were scanned and processed, for years since the beginning of the scorecard evaluation procedure (2008).
- Other relevant documents and records scanned for future review.
- Processing of all data is currently underway.

Task 3 — Review and Analyze NJDOT Award Criteria

- The research team met with the rail grant program administrators at NJDOT to discuss and obtain information regarding the administration, history, and selection process of the rail grants program.
- As a result of the literature review and facts gathered from other states' programs, provisions and functionalities of other states' programs were examined and compared to the NJ program.
- A list of items/ideas implemented in other states' programs is being compiled for review by NJDOT staff.

Task 4 — Interviews

- A protocol for conducting surveys is being established with key interview questions, based on previous efforts by other studies as well as the interest of the research team.
- To date, the research team has identified the need to interview 3 key stakeholders:
 - o NJDOT rail grants program staff (a comprehensive interview)

- Program administrators from other states
- Railroads/shippers that have applied for grants in the past
- The interview protocol will be finalized in the next quarter.

Task 5 — Economic Analysis of Grant Program Impacts

- N/A

Task 6 — Comprehensive Evaluation of Program

- N/A

Task 7 — Comprehensive Evaluation of Program

- N/A

Task 8 — Project Management and Final Report

- Project kickoff meeting took place on July 14th, 2011 at NJDOT with project manager and rail grants program personnel.
- First quarter progress report submitted at NJDOT progress meeting 10/13/11.

4. Proposed activities for next quarter by task:

Task 1 — Review of Rail Grant Program

- The research team will complete the literature review in the next quarter.

Task 2 — Collect and Process Related NJDOT Data

- The research team will also gather all remaining information from NJDOT staff and records. This is accomplished via another site visit and interview with rail grants program staff.

Task 3 — Review and Analyze NJDOT Award Criteria

- The analysis of the program and application data will continue, most importantly to reveal the key factors in determining award recipients, and the successful applicants/awardees.

- A technical memo will be prepared during the next quarter summarizing the key findings.

Task 4 — Interviews

- A protocol for conducting the interviews with railroads/businesses will be developed and shared with NJDOT to set up the interview process with the grant applicants.

Task 5 — Economic Analysis of Grant Program Impacts

- N/A

Task 6 — Comprehensive Evaluation of Program

- N/A

Task 7 — Comprehensive Evaluation of Program

- N/A

Task 8 — Project Management and Final Report

- Second quarter progress meeting will be developed for update in January 2012.

5. List of deliverables provided in this quarter by task:

- N/A

6. Progress on Implementation and Training Activities:

- N/A

7. Problems/Proposed Solutions:

- N/A

8. Project Summary:

Original Project Budget (Year 1)	\$139,763
Modified Project Budget	-
Total Project Expenditure to date	\$20,615
% of Total Project Budget Expended	15%

NJDOT Research Project Manager Concurrence: _____ Date: _____